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# Introduction

## **Report to the Board of Natural Resources**

In November 2004, the Board of Natural Resources (Board) directed the Department of Natural Resources (DNR) to report annually on the results of implementing the Lake Whatcom Landscape Management Pilot Project. This report is in response to that request.

## **Legislative Direction**

State law, 2000 Washington Laws Chapter 205 (E2SSB 6731), directed the Department of Natural Resources to create “the Lake Whatcom landscape management pilot project” on approximately 15,000 acres of state forest trust land located in the Lake Whatcom watershed area. Two of the major purposes of the legislation were to protect water quality in the Lake Whatcom watershed and to address slope stability issues associated with past and prospective forest management. The pilot project was required to include riparian management zones for all streams; prohibition of new road construction on unstable slopes; careful regulation of timber harvest and road construction on potentially unstable slopes; development of a road management plan; and development of a specific timber harvest model for the watershed.

## **Board of Natural Resources Direction**

On January 30, 2004, DNR released the Final Environmental Impact Statement (FEIS) for the Lake Whatcom Landscape Plan. On November 2, 2004, the Board of Natural Resources (Board) passed Resolution No. 1141 authorizing DNR to implement the plan. The purpose of the plan is to present a set of management strategies which provide environmental protection on DNR-managed lands (consistent with E2SSB 6731), while also preserving the economic vitality of those same lands for the long-term benefit of the trust beneficiaries. The Board expressed concerns over the balance of costs and benefits of implementing the plan, in relation to the State’s fiduciary responsibilities to manage for the trust beneficiaries. The Board also stated concerns about the equity of locally enjoyed benefits at the expense of statewide trusts that must pay for the increased management costs. The Board directed DNR to present a report to the Legislature detailing, “the findings as to the benefits and costs associated with the implementation of this pilot

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project” That report, dated December 2004, was distributed to the Legislature. (see appendix).

Section 6 of Board Resolution No. 1141 directs the DNR to:

“... annually report to the Board of Natural Resources on the results of implementation of the Lake Whatcom Landscape Management Pilot Project. Said reports shall identify new information and implementation costs. The annual report also shall include an analysis of the management of the Lake Whatcom Landscape Management Plan Pilot Project in relation to the Sustainable Harvest and associated Forest Resource Plan (adoption pending), and in comparison to management of the remaining trust lands under DNR jurisdiction. Reports are required not later than July 1, 2005 and by July 1 of each subsequent year through 2011, unless otherwise directed by the Board of Natural Resources (see Section 8). Copies of said reports shall be delivered to the appropriate committees of the Legislature, so as to inform the Legislature regarding the status of this pilot project.”

This report is in response to the Board’s request.

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# Implementation Of The Lake Whatcom Landscape Plan

## Interjurisdictional Committee

Consistent with legislative and Board direction (Section 4 of Resolution 1141), the Commissioner of Public Lands appointed a five-member Interjurisdictional Committee (IJC) to review site-specific activities in the watershed, and make recommendations to DNR. Nominees for the committee were submitted to the Commissioner of Public Lands by the local government jurisdictions – City of Bellingham Mayor Mark Asmundson, Whatcom County Executive Pete Kremen, and General Manager James Neher on behalf of the Lake Whatcom Water and Sewer District Commissioners – and by DNR’s Northwest Region Manager, Bill Wallace.

All five committee members appointed reside in Whatcom County. The IJC members are: Steve Fox, Bellingham; Curt Veldhuisen, Bellingham; Richard (Dick) Whitmore, Bellingham; Aubrey Stargell, Maple Falls; and Tom Westergreen, Sumas. A DNR press release dated February 3, 2005 provides a short background of each committee member and an “Interjurisdictional Committee Charter” dated February 10, 2005 sets forth the responsibilities of the committee (see appendix). At the first IJC meeting in February 2005, the committee elected Steve Fox chairperson and Richard Whitmore vice chairperson.

At the January 2006 IJC meeting DNR staff provided a schedule of planned management activities on state forestlands around Lake Whatcom for calendar year 2006. As of the writing of this report, the IJC has met with DNR staff four times this year to discuss plans for site-specific activities, with a fifth meeting planned. They have conducted ten field visits, four of those with DNR staff and six without, and provided written recommendations on eight planned DNR management activities. These include:

- The Lake Louise, Cub Creek and Blue Canyon Road Maintenance and Abandonment Plans;
- The Waterwisp and Cain’s View Timber Sales;
- The Hilltop #1 Pre-commercial Thinning and Lookout Mountain hand cutting of competing vegetation; and
- A road construction project requested by the Bonneville Power Administration to access their transmission towers on state forestland.

They currently are reviewing a ninth proposal, the Mirror Lake Road Maintenance and Abandonment Implementation Plan.

The IJC review process has gone very well to date. DNR staff and IJC members have developed a positive working relationship that has resulted in an open sharing of information and ideas. IJC members have shown a

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consistent commitment to careful and timely review and comment on proposed activities. Discussions during joint field visits and written recommendations from the IJC have been constructive and helpful in finalizing the design of site-specific management activities.

## **Sharing Plans for Site-Specific Activities with Community**

In January 2006, DNR staff presented a schedule of planned management activities for calendar year 2006 on state forestland around Lake Whatcom with the Lake Whatcom Management Committee (which consists of the Whatcom County Executive, Mayor of Bellingham and the General Manager of the Lake Whatcom Water and Sewer District). This information, which includes both a schedule and map of the planned activities, is also available for review on the DNR website ([insert web page](#)). Detailed plans of site-specific activities will be included with the state lands SEPA documents and Forest Practices Applications. IJC recommendations and DNR's response will be included with the respective SEPA documents. As part of an annual meeting with representatives from the Lummi and Nooksack Tribes, DNR has shared site-specific plans in the Tribes' areas of interests, including the Lake Whatcom area.

## **Status of 2005 Planned Management Activities**

DNR planned, designed and reviewed with the IJC four management activities in 2005. These activities are consistent with the strategies contained in the Lake Whatcom Landscape Plan and were designed with consideration, and in most cases inclusion, of the IJC recommendations. Implementation of all four of those activities is either completed or in progress. The current status of each of these activities is listed below.

- **North Olsen Timber Sale** – Auctioned in November 2005 for \$1,760,700.61. Proceeds support the Capitol and Common School trusts. Harvesting is in progress.
- **Olsen Creek Road Maintenance and Abandonment Plan** – All work completed in 2005.
- **Lookout Mountain Road Maintenance and Abandonment Plan** – Work began in the fall of 2005 and will continue through the fall of 2006.
- **“High Bridge” easement request from Whatcom County** – Easement issued in spring of 2005. Bridge replacement in progress.

A fifth management activity was initially planned but not completed. It involved hand cutting competing vegetation on the “Powerband Unit”.

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Further evaluation of the site determined it was not needed at this time and it was therefore not designed or reviewed by the IJC.

## **Summary of Site-Specific Activities in 2006**

DNR is currently on schedule to accomplish the list of planned management activities for 2006 presented to the IJC in January – see below (also see appendix for map). These activities are consistent with the strategies contained in the Lake Whatcom Landscape Plan and are being designed with consideration, and in most cases inclusion, of the IJC recommendations. Site specific activities planned for 2006 are:

- Auction of the Waterwisp Timber Sale in October 2006. This is a 4.3 million board foot regeneration harvest (only 2.95 million board foot will be harvested from within the Lake Whatcom Landscape Planning Area) on Skagit and Whatcom County Forest Board trust lands.
- Auction of the Cain's View Timber Sale in December 2006. This is a 1.3 million board foot regeneration harvest on Whatcom County Forest Board trust lands.
- Implementation of the Lake Louise, Cub Creek West, Blue Canyon and Mirror Lake Road Maintenance and Abandonment Plans in the summer and fall of 2005.
- Pre-commercially thinning the Hilltop #1 unit in the spring of 2006.
- Hand cutting of competing vegetation on the Lookout Mountain 1 unit in the summer of 2006.

The “BP-Bow Tie” pre-commercial thinning is included on the 2006 General Plans but further evaluation of the stand indicates this activity is not necessary at this time.

## **New Information and Analysis**

### **Information regarding oil and gas drilling**

Board Resolution 1141, Section 7, directs DNR to “temporarily suspend the processing of future oil and gas leases for directional drilling that would access an area beneath the hydrographic boundary of the Lake Whatcom watershed.” It further asks all interested parties to “provide the Department with written documentation that identifies the scientific basis for probable environmental impacts of directional drilling no later than November 30, 2005.” No such written documentation has been received by DNR after the Board Resolution in November 2004. The only information received is a letter dated November 30, 2005 from Clare Fogelsong, City of Bellingham, that supported continuation of the ban on leasing of lands in the Lake Whatcom Watershed for oil and gas drilling but did not provide scientific information regarding environmental impacts (see appendix). As provided in Section 7 of the Board Resolution, “This suspension shall expire not later than November 30, 2006 unless extended by the Board of Natural Resources.”

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### **New information and implementation costs**

Board Resolution No. 1141, Section 6, directs DNR to “identify new information and implementation costs” during implementation of the Lake Whatcom Landscape Plan. DNR is in the early stages of implementing the Landscape Plan. Implementation costs will be provided in the 2007 report in time to allow the Board to “comprehensively evaluate the pilot project not later than July 15, 2007” as provided in Section 8 of the Resolution.

### **Analysis of the management of the Lake Whatcom Landscape Management Plan Pilot Project**

Board Resolution No. 1141, Section 6, also directs DNR to include in the annual report to the Board “an analysis of the management of the Lake Whatcom Landscape Management Plan Pilot Project in relation to the Sustainable Harvest and associated Forest Resource Plan (adoption pending), and in comparison to management of the remaining trust lands under DNR jurisdiction.” The Forest Resource Plan, now referred to as the Policy for Sustainable Forests, will be considered for adoption by the Board in the summer of 2006. In addition to the discussion of sustainable harvest below, further analysis of the management of the Lake Whatcom Landscape Management Plan Pilot Project will be provided in future reports, as right now DNR is in the early stages of implementing the Landscape Plan.

Sustainable Harvest: In September 2004 (prior to the Board approval of the Lake Whatcom Landscape Pilot Project) the Board approved a set of sustainable forest management policies, including a sustainable harvest level, for all forest trust lands in western Washington. The sustainable harvest model projected an average annual harvest for state forestlands in the Lake Whatcom Landscape Plan area of approximately 6.74 million board feet for fiscal year 2006, and approximately 7.16 million board feet per year for the remainder of the first decade.

DNR developed various sustainable harvest computer model scenarios for the Lake Whatcom Landscape Plan, consistent with the statewide model. The modeling scenarios were part of the analysis contained in the Final Environmental Impact Statement (FEIS) of the Lake Whatcom Landscape Plan. In November 2004 the Board passed Resolution No. 1141 authorizing DNR to implement the plan with the scenario that projects an average annual harvest volume, for the first 20 years of the plan, of approximately 3.4 million board feet. DNR will integrate the Lake Whatcom Landscape Plan as it develops forestland plans at the Habitat Conservation Plan planning unit scale in order to implement Board of Natural Resources policy.

For fiscal year 2006 the harvest level was 4.0 million board feet, from the North Olsen Timber Sale, which was auctioned in November 2005.

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For fiscal year 2007 the harvest level is expected to be 4.2 million board feet, from the Waterwisp and Cain's View Timber Sales.

By July 1, 2007, DNR will prepare and present to the Board of Natural Resources the next annual report on the progress and results of implementing the Lake Whatcom Landscape Plan. This report will contain information regarding management costs for the first two years of implementation of this Pilot Project.

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## **Appendix**

**General Plans for 2006 –list of management activities and map**

**Report to Legislature, Lake Whatcom Landscape Pilot Project,  
December 2004. Includes:**

**Engrossed Second Substitute Senate Bill 6731**

**Board Resolution No. 1141**

**Interjurisdictional Committee Charter**

**Press Release on Interjurisdictional Committee**

**Letter from City of Bellingham to DNR**